2/15/78

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THE PRESIDENT'S SCHEDULE

Wednesday - February 15, 1978

- 8:15 Dr. Zbigniew Brzezinski The Oval Office.
- 8:45 Mr. Frank Moore The Oval Office.
- 9:00 Congressman Jonathan Bingham. (Mr. Frank (15 min.) Moore) The Oval Office.
- 9:30 Congressman Dante Fascell. (Mr. Frank Moore). (15 min.) The Oval Office.
- 10:00 Receive Report to the Nation from the Boy (10 min.) Scouts of America. (Ms. Midge Costanza).

 The Oval Office.
- 10:30 Mr. Jody Powell The Oval Office.

- 12:25 Mr. Charles Masters and Mr. Toby Buttimer. (5 min.) The Oval Office.
- 12:30 Lunch with Mrs. Rosalynn Carter Oval Office.
- 1:30 Presentation of Diplomatic Credentials. (45 min.) (Dr. Zbigniew Brzezinski) The Oval Office.
- 3:00 Senator James Allen. (Mr. Frank Moore). (15 min.) The Oval Office.

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THE WHITE HOUSE

WASHINGTON

February 15, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

Jody Powell

It is the consensus that the major contribution you can make tonight is to the tone of the negotiations. For that reason we have decided to dispense with any on-the-spot press coverage.

There will be two White House photographers present to provide film for the wires and the news mags. I will relay a few of your best lines and thoughts.

Landon is sending you a short memo describing in greater detail what we would like for you to do. I have attached the draft statement to help you collect your thoughts, but don't want you to read it.

Your remarks should be general, inspirational in tone and devoid of any reference to specific issues in dispute. You need to appeal to both their sense of the common good as well as the welfare of the people they represent. You also need to make it clear that we have no time to waste. Finally, it is not productive to make threats at this point. The miners may respond to an appeal to their patriotism. They will not respond well to threats.

STATEMENT ON THE RESUMPTION OF COAL STRIKE NEGOTIATIONS

A little more than 24 hours ago, I asked the Secretary of Labor to convey my personal request that you meet here in the White House and try to resolve the present stalemate in the coal strike. I want to thank you for responding quickly. We all understand the hardships this strike is imposing on our country, and the fact that you have come shows you understand that a settlement is urgent.

My decision to ask you to resume your discussions here in the Roosevelt Room was not taken casually, and I know you aren't here because of the comfortable chairs or the free coffee. I asked you to come, and you came, because we share a concern for the welfare of our country and the people who dig the coal and the people who run the mines, and we want to see this strike settled.

I support the collective bargaining process. It is best for the mine operators. It is best for the men who dig the coal. Most importantly, it is best for all the people of this country. You have an opportunity in the next few days to prove that process works.

We can help, and Secretary Marshall will be here with you to assist in any way he can. But we cannot make the tough

decisions. You have got to do that, and the decisions are tough. If getting this settled was an easy job, we wouldn't be here tonight. But my judgment is that I'm talking to tough men tonight who have what it takes to do the right thing for the people you represent and for the country that all of us love.

It's your country just as much as it is mine, and none of us can afford to let her down.

#:

SUGGESTED SENTENCES FOR CONSIDERATION -- A.Gore

I wish to welcome you into the White House. It belongs to you. It is a wonderful place in which to settle disagreements, but from my experience here disagreements are sometimes easier started than settled.

You come tonight with some disagreements between you. I invite you here because those disagreements are affecting not only you, but the whole people, and I am President of all the people.

A President, no less than a citizen, must be willing to face, even to create controversy. The public good is sometime well served by disagreement and debate.

But in an overall sense, each of us must seek and all of us must find a course by which our system of freedom works.

A very important part of our process of freedom is collective bargaining. My dedication to collective bargaining is deep. I believe in it. I support it.

Officials of my administration, particularly Secretary Marshall and the mediation service, Mr. Horvitz and others have tried to facilitate your negotiations.

I do not wish to take either of the two or three or more sides to the issues that vex you.

But when as your President, I see severe hardships occurring -- as I do -- and, when I foresee potentially disastrous consequences should your disagreements continue -- as I do -- then I must ask you conscientiously and prayerfully to seek to accommodate your differing views to the circumstances that face you and our country.

My entire administration stands ready to aid your deliberations which I hope will not be for very long.

#

THE WHITE HOUSE

WASHINGTON

February 15, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

LANDON BUTLER

SUBJECT:

Coal Strike Negotiation Meeting

DATE:

February 15, 1978

TIME:

mq00:8

LOCATION:

Roosevelt Room

BACKGROUND

At this stage, the most important asset we have is your own ability to communicate personally to each negotiator the importance of reaching an agreement. Your effort should be to bring out the best in each of them, asking them in the national interest to rise above acrimony and political divisions.

PARTICIPANTS

A list of participants is attached, with a few points of information about each. When you enter the room, you should shake hands and chat briefly in a personal way with each participant.

PRESS PLAN

Because we think you will be most persuasive with this group if the atmosphere is private, low-key, and personal, there will be no press present. You may want to open the meeting by stating that you asked Jody to exclude the press because you want to speak to them privately and frankly.

PARTICIPANTS

United Mine Workers of America

- *--Arnold Miller the "one and only"
- *--Sam Church, Vice President of UMW about 38; from Southern Virginia; elected in July 1977; been one of hardest working negotiators; could lead the UMWA.
- *--Harrison Combs, General Counsel 68; former coal miner from Kentucky who became lawyer; was lawyer with John L. Lewis in 1947 when there was the last big strike.
- *--Wilbert Killion 50's; IEB member from Terre Haute, Indiana; most thoughtful and serious of negotiating team; worked on health and pension issues.
- *--Lou Antal 50's; President of District 5 in Pittsburgh; One of earliest Jock Yablonski supporters, and close friend of Yablonski; troubled about loss of health clinics in Pennsylvania because of strike.
- *--Walter Suba 50's; IEB member from Uniontown, Pennsylvania; worked on arbitrations and grievance problems; has stood by contract.
- *--Joe Duffie 50's; Secretary-Treasurer of District 17 in Charleston, West Virginia; long time friend and supporter of Miller; does what Miller wants.
- --Jack Perry 40's; President of District 17 in Charleston, West Virginia; violent Miller opponent; supports right-to-strike and unable or unwilling to curb wildcats in the UMW's biggest district (some 20,000 men).
- --Ken Dawes late 30's; President of District 12 in Illinois; was going to run as Vice President against Miller; Intelligent and ambitious; could be leader on bargaining council.
- --Tommy Gaston 38; from Western Kentucky's large strip mining area; quiet; just elected, but gaining respect of the bargaining council; very worried about loss of union.

^{*}Original members of negotiating team

TALKING POINTS

In addition to the talking points which Jody gave you, you might want to include the following:

UMW

- 1. Has long proud history fought to get national agreement in 1950.
- 2. Members have shown willingness to sacrifice and endure hardships.
- Proud of their accomplishments.
- 4. 800,000 people who now have no health care and 80,000 old miners with no pensions.
- 5. 160,000 skilled workers in the most vital industry are idle.
- 6. I know how hard the work is -- I've seen the miners work when I went in the mines in Pennsylvania. I know what good people miners are.

COMPANIES

- Going to be part of an expanding role for coal in the energy plans for the country.
- 2. We are on the verge of tremendous growth in the industry.
- 3. Need the private sector to help with that growth to enlarge capacity and productivity.
- 4. I know of the capital investments needs, etc.
- 5. Must be free of the reliance on foreign oil.

Bituminious Coal Operators Association

- --Rod Hills 45, Chairman for about 10 months of Peabody Coal Company; largest producer in industry; all strip mining in Midwest and West; former Counsel to President Ford and former Chairman of SEC; brightest of all on industry side.
- --Bobby Brown 50, President for three months of Consolidation Coal Company, a wholly owned subsidiary of Conoco Oil Company; very unfamiliar with mining; has oil background; but he and Bruce Johnson cut first contract.
- --Bruce Johnston 45, U.S. Steel Vice President; most experienced and toughest of BCOA negotiators; he and Brown can get others in BCOA in line.
- -- Ted Leisenring President of BCOA; mid-50's; President of Westmoreland Coal Company; has not taken active part in negotiations.
- --Nick Camacia 50's; President of Pittston Coal Company; West Virginia boy who worked through ranks to become President of Pittston; played big role in 1974 negotiations; has hot been active in these negotiations.

THE WHITE HOUSE

WASHINGTON

February 15, 1978

Zbig Brzezinski

The attached was returned in the President's outbox today and is forwarded to you for your information and for appropriate handling. Please forward a copy of the attached to Secretary Vance.

Rick Hutcheson

cc: Jim McIntyre

Frank Moore

RE: LETTER FROM JOHN GILLIGAN RE

HUMPHREY BILL

Segara
THE WHITE HOUSE DICK
WASHINGTON Stabua

Mr. President:

Blumenthal has some concerns; the matter should be staffed our for inter-agency reactions but I didn't want to hold the letter back.

THE SECRETARY OF STATE WASHINGTON

We need to expedite assessment of bill by all

February 14, 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: Cyrus Vance W

I am attaching a letter from John Gilligan on the Humphrey Bill which John asked that I forward to you. We are working to complete the necessary staff work for you on the Bill and I believe you should wait until you receive that memorandum before taking a final position on the Bill.

DEPARTMENT OF STATE

AGENCY FOR INTERNATIONAL DEVELOPMENT WASHINGTON

THE ADMINISTRATOR

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

Although the Administrator of the Agency for International Development is expected to report to the President through the Secretary of State I have not during the past year availed myself of that privilege because I have some appreciation of the volume and importance of the material which must cross your desk every day.

Now, however, a matter has arisen which seems to me to be of such importance and significance to your Administration that I am compelled to submit for your consideration several thoughts. The matter to which I refer is the introduction in the Senate and the House of Representatives of S. 2420, the Humphrey Bill, for the reorganization of the foreign assistance programs of the United States. This legislation, as you undoubtedly know, is the product of literally months of work on the part of a number of members of Senator Humphrey's staff and the staff of the Senate Foreign Relations Committee, and while the bill is quite voluminous, and contains a number of proposals which pose some very difficult and some very complex problems for the Executive Branch, it has several relatively clear objectives whose accomplishment preoccupied a great deal of Senator Humphrey's time and attention during the last months of his life.

S. 2420 seeks to: (1) produce a more rational and effective administrative structure for our foreign assistance programs; (2) give these programs greater public and Congressional visibility and a more coherent appearance; and (3) improve the bureaucratic position and influence within the Executive Branch of government of the Agency charged with the conduct of foreign assistance programs.

How well the legislation provides for the accomplishment of these objectives remains to be debated in some considerable detail, but

speaking from a political point of view for a minute, and within the context of the working relationship that needs to exist between the Executive and the Congress, these proposals appear to offer to the President several attractive opportunities which, in my judgment, should be exploited very quickly and very vigorously:

- (1) The President is provided by this legislation with the opportunity to respond affirmatively -- at no political cost -- to important legislative initiatives on the part of a number of members of Congress whose continued support of our foreign assistance programs is critically important.
- (2) The same bill has provided the President with the opportunity to lift the whole debate which will take place this Spring on the funding levels of the various foreign assistance programs to a different and higher plane, involving a broad, new conceptualization of a fresh approach to foreign economic development, henceforth to be identified with the Carter Administration and sharply distinguished from some of the battered and shopworn programs of the past, with all of their mistakes and irregularities.
- (3) The consideration of these new legislative proposals throughout the months ahead in several of the more important and newsworthy Committees of both Houses will provide the President with a continuing series of opportunities to continue to articulate his persistent concern with the problems of the basic human needs and human rights of people all over the globe. In this instance, by supporting the principal objectives and concepts of the legislation the President can be seen to be mobilizing his resources to do something about these matters rather than just talking about them, and to do so without substantially altering his budget requests.

Mr. President, I know that the principal sponsors of this legislation intend to press very vigorously all of the officials of your Administration who appear before their several Committees for very specific responses to very specific questions concerning the Administration's attitude towards S. 2420. I, for instance, have been summoned to appear before Senator Sparkman's Subcommittee on March 3 specifically to testify on S. 2420. While I know that any piece of legislation as complex as this requires the most careful examination, I still believe it to be of the utmost importance that the President and his Adminis-

Page Three

tration be seen on Capitol Hill very soon and very clearly to be warmly receptive and supportive to these important Congressional proposals. All of the mechanical problems and details can be dealt with as necessary in the weeks and months ahead, but I believe the members of your Administration need to know as soon as possible your mind on these matters.

Respectfully,

John J. Gilliga

THE WHITE HOUSE WASHINGTON

February 15, 1978

Frank Moore

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Hamilton Jordan

RE: SENATOR ALLEN AND COAL MINE OPERATORS

THE WHITE HOUSE WASHINGTON

FOR STAFFING FOR INFORMATION

FROM PRESIDENT'S OUTBOX LOG IN/TO PRESIDENT TODAY

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THE WHITE HOUSE WASHINGTON

MR. PRESIDENT:

SECRETARY MARSHALL FEELS THAT YOU MAY WANT TO ASK SENATOR ALLEN TO USE HIS INFLUENCE WITH COAL MINE OPERATORS AND MINERS IN ACABAMA TO SETTLE THE DISPUTE.

ALL ALABAMA AWES ARE DOWN; MOST ARE UNION MINES.

> FRANK MOORE DAN TATE

THE WHITE HOUSE

February 14, 1978

2

WEETING WITH SENATOR JAMES B. ALLEN
Wednesday, February 15, 1978
3:00 p.m. (15 minutes)
The Oval Office

From: Frank Moore

I. PURPOSE

To meet with the Senator and discuss areas of mutual interest and concern.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: Senator Allen opposes us on almost every major issue. However he is an honorable opponent who is respected in the Senate as a gentleman and recognized as an asset to the institution.

B. Participants: The President Senator Allen

C. Press Plan: White House Photo

III. TALKING POINTS

- Senator Allen is a strong proponent of a balanced budget. You should ask for his help in holding down budget add-ons.
- 2. On Panama you should ask the Senator to try to hold down the number of amendments he will offer. You should ask him to allow a timely vote on the issue. As you know, Senator Allen is one of our major opponents on the Treaties.
- 3. Senator Allen has always been a strong supporter of American agriculture and as such, he is deeply concerned with farmers' problems. He has not publicly endorsed any particular bill introduced as a result of the recent farm strike, but his staff believes he might support legislation providing for 100% of parity for those who farm

- 20 acres or less. (As you probably know, at one time there was such a provision on the statute books.)
- 4. Senator Allen adamantly opposes the bill recently reported by Senator Kennedy's Antitrust Subcommittee for the purpose of overturning the Illinois Brick case. Senator Kennedy's legislation would empower state attorneys general to bring antitrust suits in federal courts on behalf of citizens within their respective states. Judge Bell has written a letter of strong support and Justice Department officials testified in favor of the Kennedy bill. We do not suggest that you bring this subject up with Senator Allen.

THE WHITE HOUSE WASHINGTON

February 15, 1978

Jim McIntyre

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Bob Linder for appropriate handling.

Rick Hutcheson

cc: Bob Linder

RE: PRESIDENTIAL DETERMINATION TO CONTRIBUTE \$300,000 TO RESETTLE LATIN AMERICAN REFUGEES

THE WHITE HOUSE WASHINGTON

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CAB DECISION
EXECUTIVE ORDER
Comments due to
Carp/Huron within
48 hours; due to

Staff Secretary

next day

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THE WHITE HOUSE WASHINGTON

2/14/78

Mr. President:

Frank's comment: "I concur with State and with OMB in recommending that you sign the determination releasing \$300,000 to help resettle Latin American refugees and detainees. This will be a politically popular decision and will help us on IFI's and human rights. Contributions to Laos will not benefit us."

Rick

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THE WHITE HOUSE WASHINGTON

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February 10, 1978

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

Presidential Determination to Contribute \$300,000 to Resettle Latin American Refugees

The memorandum at Tab B from Warren Christopher recommends that you sign the Presidential Determination at Tab A, declaring that it is in the national interest to make \$300,000 from the Emergency Refugee and Migration Assistance Fund available to the Intergovernmental Committee for European Migration (ICEM) to help resettle Latin American refugees and detainees. OMB concurs at Tab C in Christopher's recommendation.

This contribution would help fund a special ICEM project to resettle as many as 5,000 refugees in Europe this year. Most are currently located in Chile and Argentina. Some are in prison but have prospects for release. Belgium, Denmark, Norway, and Switzerland have agreed to make contributions to the ICEM for this project. If you approve this contribution, \$1.0 million will remain in the Emergency Fund for the remainder of FY 1978.

I am against it. There are more pressing cases, especially in The Europeans and the Latins should finance this -- and they can. They do not help in the Asian cases.

RECOMMENDATION:

That	you	sign	the	determination	аt	Tab	Α.
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APPROVE	 DISAPPROVE	

THE WHITE HOUSE

Presidenti	al	Determination	1
No.			

MEMORANDUM FOR THE SECRETARY OF STATE

SUBJECT:

Determination pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, (the "Act") authorizing the use of \$300,000 of funds made available from the United States Emergency Refugee and Migration Assistance

Fund

In order to meet unexpected and urgent needs arising from political and security actions against substantial numbers of persons in Latin America, I hereby determine, pursuant to Section 2(c)(1) of the Act, that it is important to the national interest that up to \$300,000 of funds appropriated under the United States Emergency Refugee and Migration Assistance Fund be contributed to the Intergovernmental Committee for European Migration for the resettlement of refugees and detainees from Latin America to third countries abroad.

The Secretary of State is requested to inform the appropriate committees of the Congress of the Congress of this Determination and obligation of funds under this authority.

This determination shall be published in the Federal Register.

Timuy Carta



THE WHITE HOUSE WASHINGTON

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February 10, 1978

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

Presidential Determination to Contribute \$300,000 to Resettle Latin American Refugees

The memorandum at Tab B from Warren Christopher recommends that you sign the Presidential Determination at Tab A, declaring that it is in the national interest to make \$300,000 from the Emergency Refugee and Migration Assistance Fund available to the Intergovernmental Committee for European Migration (ICEM) to help resettle Latin American refugees and detainees. OMB concurs at Tab C in Christopher's recommendation.

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I am against it. There are more pressing cases, especially in Asia. The Europeans and the Latins should finance this -- and . they can. They do not help in the Asian cases.

RECOMMENDATION:

That you sign the determination at Tab A.

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THE WHITE HOUSE

Presidential	Determination
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MEMORANDUM FOR THE SECRETARY OF STATE

SUBJECT:

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Fund

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The Secretary of State is requested to inform the appropriate committees of the Congress of the Congress of this Determination and obligation of funds under this authority.

This determination shall be published in the Federal Register.

DEPARTMENT OF STATE WASHINGTON

January 30, 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: Warren Christopher, Acting

SUBJECT : Resettlement of Refugees and Detainees from Latin America

A Presidential Determination under Section 2(c) of the Migration and Refugee Assistance Act, as amended, is needed to enable us to make \$300,000 available to the Intergovernmental Committee for European Migration (ICEM) to help resettle Latin American refugees and detainees. Most of those we wish to aid are in Chile and Argentina, and some are in serious jeopardy. A number are currently in prison, but have prospects for release. We believe that some 5,000 Latin American refugees and detainees can be resettled by ICEM this year, provided we are able to help.

A number of European countries will receive the refugees and detainees, and Belgium, Denmark, Norway and Switzerland have said they will make special contributions to the ICEM as well. The contemplated United States contribution will help provide transportation and resettlement services. Funds are currently available for this purpose in the Emergency Refugee and Migration Assistance Fund administered by the Department of State. No other source of funds is available.

Recommendation

That you sign the attached Presidential Determination.

Attachment:

Presidential Determination.



OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

FEB 3 1978

MEMORANDUM FOR: Mr. John H. Murphy

Director, Information Management Staff

National Security Council

FROM:

Edward G. Sanders

Deputy Associate Director for International Affairs

SUBJECT:

Proposed Presidential Determination on Refugees and

Detainees from Latin America

The State Department seeks a Presidential Determination authorizing the use of \$300,000 from the Emergency Refugee and Migration Assistance Fund for a contribution to the Intergovernmental Committee for European Migration (ICEM) to assist in the resettlement of Latin American refugees and detainees in various European countries.

The total 1978 cost estimate for this ICEM program, involving the resettlement of about 5,000 Latin American refugees/detainees, is \$1,760,000. A U.S. contribution of \$300,000 would finance 17% of the total funding requirement. This program was not included in the regular 1978 ICEM budget and, as a special program, is financed solely from voluntary contributions. Belgium, Denmark, Norway, and Switzerland have indicated they will make contributions, but have not indicated the amounts.

Congressional opposition to the use of U.S. funds to finance the transportation and processing of 400 Latin American refugees/detainees paroled into the U.S. last year prevented a U.S. contribution to ICEM for that special program. State believes that the inability to assist ICEM in financing the movement of those refugees to the U.S. prompts a rapid response to ICEM's appeal for assistance in transporting these refugees to other countries -- to which there is no congressional opposition.

The current availabilities of the Emergency Fund are \$7,800,000; but, of this, there is a pending determination for \$750,000 for African refugees and a firm requirement for \$5,075,000 to finance the transportation and initial resettlement of 7,000 Indochinese refugees recently authorized for entry into the U.S. These requirements, plus the proposed use of \$300,000, would leave a balance of \$1 million for the rest of FY 1978.

OMB has no objection to the proposed use of \$300,000 from the Emergency Fund to assist ICEM in transporting Latin American refugees going to other countries.

THE WHITE HOUSE WASHINGTON

15 February 1978

MEMORANDUM FOR

THE HONORABLE BOB S. BERGLAND Secretary of Agriculture

Re: The Food Aid Convention

The President reviewed your memorandum of February 7 on the above subject and approved all three of your recommendations.

Rick Hutcheson Staff Secretary

THE WHITE HOUSE

WASHINGTON

February 15, 1978

Stu Eizenstat

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling. Secretary Bergland will be informed of the President's decision by us.

Rick Hutcheson

cc: The Vice President
Frank Moore
Jody Powell
Jack Watson
Jim McIntyre
Charles Schultze
Zbig Brzezinski
Peter Bourne

RE: INTERNATIONAL WHEAT AGREEMENT/FOOD AID CONVENTION

THE WHITE HOUSE WASHINGTON

FOR STAFFING FOR INFORMATION

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		POWELL	_		48 hours; due to	
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THE WHITE HOUSE

washington February 14, 1978 Shuber for senefit

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

LYNN DAFT

SUBJECT:

International Wheat Agreement/

Food Aid Convention

In the attached memorandum, Secretary Bergland recommends U.S. positions on three issues to be treated at the forthcoming negotiations over a new Food Aid Convention.

The issues are fully described in the Secretary's memorandum and are therefore not repeated here. The issues have been discussed at some length within the interagency Food and Agricultural Policy Working Group and all members have concurred in the Secretary's recommendations.

We recommend that you approve the negotiating positions as set forth by the Secretary.

NOTE: The Working Group includes: OMB, CEA, STR, NSC,

DPS, State, Treasury, AID and Peter Bourne.



DEPARTMENT OF AGRICULTURE OFFICE OF THE SECRETARY WASHINGTON, D. C. 20250

FEB 7 1978

TO: THE PRESIDENT

SUBJECT: The Food Aid Convention

The 1971 International Wheat Agreement -- consisting of the Wheat Trade Convention and the Food Aid Convention -- will expire on June 30, 1978. A negotiating conference to replace this Agreement will be convened in Geneva from February 13 to March 23, 1978 under the auspices of the United Nations Conference on Trade and Development (UNCTAD).

The United States must determine its contribution to the new Food Aid Convention. Under this Convention, the U.S. and other countries commit themselves to a minimum annual quantity of food aid to developing countries for the next several years.

The 1971 Food Aid Convention is an agreement by which nine countries pledge minimum annual contributions of food aid to developing countries. Total contributions under the current Convention are 4.226 million tons of wheat and coarse grain, of which the U. S. share is 1.89 million tons or 44.7%. As shown in Table 1, U. S. food aid flows have been much greater than our current FAC commitment.

During 1972-74, when grain prices were very high, the U. S. sharply reduced its food aid primarily in order to hold down budget costs and inflationary pressure. However, in these "world food crisis" years the developing countries had the greatest need for food aid. I believe that the U. S. should strive to avoid a repetition of the 1972-74 pattern. Our program of grain reserves, especially the proposed International Emergency Wheat Reserve, will help ensure that the U. S. can maintain its level of food aid even in years of high grain prices and tight supplies. By accepting a larger obligation under the new Food Aid Convention, the U. S. would commit itself internationally to do so.

At the World Food Conference of 1974 and subsequent meetings of the World Food Council and the Food and Agriculture Organization (FAO), the U. S. has endorsed a world food aid target of 10 million tons of grain per year. In the International Wheat Council discussions prior to the upcoming negotiations, the U. S. has proposed that, in accordance with this target, the new Food Aid Convention should ensure the annual availability of 10 million tons of food aid. The U. S. has emphasized that responsibility for food aid must be widely shared among donor and potential donor countries.

THE PRESIDENT

-2-

Recommendations

The size of the U. S. contribution to the new Food Aid Convention has been discussed by the Working Group on Food and Agricultural Policy. Based on these discussions, I am submitting three recommendations which involve progressively increasing levels of U. S. commitment to provide food aid.

First, I recommend that, at the upcoming negotiations, the U.S. should make a minimum commitment to contribute 4.47 millions tons annually under the new Food Aid Convention.

This quantity represents a U. S. share of the 10 million ton target which is equivalent to our 44.7% share of the current Convention. To commit less than this quantity would be inconsistent with our support for the 10 million ton target. In making this commitment, it would be assumed that the new Convention would allow similar financial terms for aid as the current Convention.

The budget impact of this commitment depends on grain prices. Currently programmed food aid quantities and budget outlays for FY 78 and FY 79 should be adequate to meet a commitment of 4.47 million tons under the FAC, as shown in Table 2. Of course, if grain prices rise above projected levels, this FAC commitment would require that the U. S. increase its budget outlays for food aid rather than reduce the quantity below this level. For each 10¢ per bushel increase in the price of wheat and corn, food aid costs for FY 79, which would be the first full year of the Convention, would increase by about \$16 million. However, if grain prices do rise, budget outlays for farm income support now anticipated for FY 79 would fall sharply.

This recommendation has been considered by the Working Group on Food and Agricultural Policy and is concurred in by all members present.

DECISION			
	APPROVE	DISAPPROVE	1

Second, I recommend that, if useful in obtaining the contributions of other countries toward the 10 million ton target, the U. S. negotiator should be authorized to offer that the U. S. would increase its contribution above 4.47 million tons so that the U. S. share would be no less than 50% of total contributions -- up to a maximum U. S. contribution of 5 million tons.

In other words, if the contributions of other countries exceed 4.47 million tons, the U.S. would match these contributions on a ton-for-ton basis until the 10 million ton target is achieved. Such a conditional offer would provide an incentive for other potential donors to increase their contributions.

In making this offer, the U.S. would first assure that its Currency Use Payments (CUPs) for certain Title I agreements would not make those agreements ineligible under the FAC. In this way, almost all of our current Title I agreements could be counted toward fulfillment of our FAC contribution, as shown in Table 2.

Currently programmed food aid quantities and budget outlays for FY 78 and FY 79 should also be adequate to meet a commitment of 5 million tons under the FAC, although the exposure to potential increases in budget costs would be correspondingly greater.

The commodity coverage of the FAC will be negotiated. If rice or other commodities are included in the FAC, it will be easier for the U. S. to meet this 5 million ton commitment, as shown in Table 2.

This recommendation has been considered by the Working Group and supported by all members present.

DECISION

APPROVE -	DISAPPROVE

Third, I recommend that, at the upcoming negotiations, the U.S. propose a new provision for a "callable food aid commitment" which would set rules for sharing responsibility among all food aid donors for increasing food aid during periods of special need by low-income developing countries.

In times of production shortfalls, a sharp increase in food aid may be required by the poorest developing countries. Historically, the U. S. and other exporters have been expected to respond to such special needs. I believe that the new Convention should establish rules for sharing responsibility for such increased food aid.

In general, the U.S. would propose that, whenever foodgrain production in the low-income developing countries is more than an agreed percentage below trend, all donor countries would meet to consider jointly increasing food aid by up to an agreed percentage of each country's basic contribution under the Convention. Specific guidelines for such a proposal have been developed by the Working Group on Food and Agricultural Policy.

THE PRESIDENT

The potential budget impact of such a proposal depends on the maximum size of the U. S. callable food aid commitment and the probability that the criteria for calling up this additional food aid would be met. I recommend that the U. S. negotiator be authorized to accept a callable food aid commitment for the U. S. up to 1.0 million tons -- that is, up to 20% of 5 million tons -- provided that the percentage shortfall from production trend which would trigger consideration of such additional food aid would have an estimated probability of less than one-fourth in any one year. Thus, the potential budget exposure of the U. S. would have an upper limit.

This recommendation has been considered by the Working Group and is supported by all members present.

APPROVE DISAPPROVE____

BOB BERGLAND Secretary

TABLE 1. Volume of P.L. 480 Wheat and Coarse Grains and Products Shipments, FY 1955-1979 1/ (metric tons/metric tons grain equivalent)

•		
TITLE I	TITLE 11.2/	TOTAL P.L. $480^{2/}$
2,538,766	549,029	3,087,795
8,467,990	479,719	8,947,709
11,013,016	984,023	11,997,039
6,619,172	1,353,969	7,973,141
8,918,830	1,205,306	10,124,136
11,606,645	1,363,025	12,969,670
12,553,034	2,247,457	14,800,491
14,757,137	2,508,196	17,265,333
13,098,635	2,342,681	15,441,316
12,595,509	2,368,096	14,963,605
14,745,657	1,996,359	16,742,016
14,671,367	2,359,959	17,031,326
10,171,093	1,995,065	12,166,158
10,987,371	1,808,808	12,796,179
6,109,627	1,809,075	7,918,702
7,221,076	1,840,523	9,061,599
6,066,392	1,938,490	8,004,882
6,010,327	1,922,041	7,932,368
3,735,200	2,180,094	5,915,294
1,083,000	1,466,000	2,549,000
2,718,000	1,136,651	3,854,651
3,410,400	899,491	4,309,891
4,185,984 <u>4</u> /	1,293,572	5,479,556
4,343,000	1,433,768	5,776,768
4,347,000	1,440,392	5,787,392
	2,538,766 8,467,990 11,013,016 6,619,172 8,918,830 11,606,645 12,553,034 14,757,137 13,098,635 12,595,509 14,745,657 14,671,367 10,171,093 10,987,371 6,109,627 7,221,076 6,066,392 6,010,327 3,735,200 1,083,000 2,718,000 3,410,400 4,185,984 4/4,343,000	2,538,766

Because of the financial terms for certain Title I agreements, not all of these quantities would have been countable toward an FAC commitment.

^{2/ 1955-1972} excludes grain equivalent of blended foods.

^{3/ 15-}month FY 1976 and transistional quarter prorated on 12-month basis.

^{4/} Based on Bills of Lading as of 12/31/77.

TABLE 2A:

QUANTITY OF P. L. 480 WHEAT, COARSE GRAINS, AND PRODUCTS FOR FY 77, FY 78 AND FY 79 (metric tons/metric tons grain equivalents)

	TOTAL U. S. AID	COUNTABLE UNDER FAC (including agreements with CUPs) <u>a/</u>	COUNTABLE UNDER FAC (not including agreements with CUPs) \underline{b} /	
FY 77	5.480	4.930	4.185	
Est. FY 78 <u>c</u> /	5.777	5.237	4.670	
Est. FY 79 <u>c</u> /	5.787	5.269	4.714	

TABLE 2B:

QUANTITY OF P. L. 480 WHEAT, COARSE GRAINS, RICE AND PRODUCTS FOR FY 77, FY 78 AND FY 79 d/ (metric tons/metric ton grain equivalents)

	TOTAL U. S.	COUNTABLE UNDER FAC (including agreements with CUPs)	COUNTABLE UNDER FAC (not including agreements with CUPs)
FY 77	6.153	5.546	4.360
Est. FY 78 <u>c</u> /	6.310	5.726	4.894
Est. FY 79 <u>c</u> /	6.362	5.814	4.959

a/ In order to be counted toward fulfillment of the Food Aid Convention obligation, food aid which is provided on credit terms must allow at least 20 years for repayment and cannot require more than 15% downpayment. In FY 77 several U. S. Title I agreements did not meet these terms and therefore could not have been counted under the FAC. This column assumes that Currency Use Payments (CUPs) -- payments in nonconvertible currencies -- will not be regarded as downpayments under the new Convention and that Title I agreements with large CUPs could therefore be counted.

b/ This column assumes that all Title I agreements with Initial Payments and CUPs greater than 15% would not be countable under the FAC.

c/ These quantities are now programmed in the FY 78 and FY 79 budgets.

However, the allocation among countries in FY 78 and FY 79 is not yet certain. These tables are based on the assumption that the same Title I agreements which would not now count under the FAC would be renewed with the same quantities and terms in both FY 78 and FY 79.

d/ The commodity coverage of the new Convention will be negotiated and may include rice.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

Meeting with
Charlie Masters and Toby Buttimer
Wednesday, February 15
The Oval Office
12:25 p.m.
(5 minutes)

(by: Fran Voorde

PURPOSE:

A personal visit.

BACKGROUND, PARTICIPANTS, PRESS:

A. Background: They are anxious to have you confirm participation in the St. Patrick's Day Banquet, Friday evening, March 17. (We will have a schedule proposal for you on

this sometime this week.)

Also, they want to bring you up to date on a memorial program they're putting together for Pinky in Savannah.

- B. Participants: The President, Charlie Masters and Toby Buttimer
- C. Press: White House Photographer Only.

THE WHITE HOUSE WASHINGTON

3615 arrange for lete Jay to see me When he returns to defiver a personal message from the frime Minister

OC Jim Kraft Fran Vorrele



GENERAL CONCLUSION AND RECOMMENDED COURSE OF ACTION

It is the consensus view of all persons involved that there is a very slight chance for the negotiating process to yield a quick result ("quick" in this sense means several weeks not days) and that you eventually will have to invoke Taft-Hartley.

In the immediate future, we recommend that:

- --you give the negotiation process a fast chance to succeed and/or fail;
- --you be visible in your efforts to make the negotiating process work;
- --you prepare the way politically for the later invokment of Taft-Hartley;
- --we do everything possible to provide real help to the areas adversely affected.

Recommended Action: That you issue the following statement personally today:



Department of Energy Washington, D.C. 20585

MEMORANDUM FOR THE PRESIDENT

FROM:

JAMES R. SCHLESINGER

1

SUBJECT:

COAL STRIKE AND ENERGY

Only resumption of coal production can solve the severe energy problems now confronting the East Central area and the Nation's economy. Actions by State Governors and Public Utility Commissions, the utilities and the Department of Energy can only mitigate the impact of the coal strike by facilitating the importation of bulk electric power and the movement of Western coal to the affected region. Settling the coal strike remains the key to the solution.

The appropriate palliatives involve conservation and supply:

- 1. In order to prevent loss of power for essential services and residences during the rest of the winter, the States must begin mandatory curtailment of power to non-essential services and industry as soon as possible. The Indiana Public Utility Commission ordered emergency curtailment on February 13. Governors in certain States (Ohio, Michigan, Pennsylvania, and Maryland) must declare an emergency before the Public Utility Commission can order curtailments. Some of the commissions are holding such hearings this week.
- 2. Importation of bulk power and movement of Western coal to the utilities and major industries in the East Central region can supply only a fraction of the total regional energy needs. Our basic coal fueled energy priorities should be to try to maintain bulk electric power supply services and meet at least human needs (homes and hospitals) through the rest of the winter and protect plants (property).

3. The DOE will continue to work with the States, the involved utilities, the railroads and industry to identify available Western coal and assist in the transfer of power. The attached appendix outlines our activities to date.

The overriding tone of our involvement is one of support and assistance, since the States have the authority to declare emergencies and must take this unpopular action if mandatory curtailment plans are to be implemented in time to prevent power outages in homes and essential services. Our supply initiatives must be relatively low-key.

4. State/Federal responsibilities divide as follows:

Utilities:

Should seek supplies to maintain service, curtailing in accordance with State plans.

States:

Urge and require conservation, including mandatory conservation of electric utility services to industrial and other consumers.

Provide security services to maintain the law within their territory.

Arrange for and protect coal deliveries to utility plants and human needs uses within their territory.

Federal Government:

Conserve energy as a consumer, supply information to States and industry, coordinate their efforts where helpful.

Use its emergency regulatory authority over deliveries of electricity and over spot deliveries or diversions of coal as a last resort.

Use its law enforcement powers as a last resort to assure essential interstate shipments of coal.

Attachment

Department of Energy Actions to Lessen the Impact of the Coal Strike

- o Insure maximum transfer of electric power into the affected regions:
 - -- Stationed a team of engineers at the Canton, Ohio, power dispatch center to monitor continuously electric bulk power supplies and transfers, coal supplies and deliveries to utilities within and into the affected regions.
 - -- Met with representatives of utility companies, State Energy Offices and Public Utility Commissions to seek maximum voluntary power transfers into the east central region. Approximately 80 percent of potential power imports (of 6000-8000 megawatts) are being achieved.
 - -- Cut power at DOE's gaseous diffusion plants in Paducah, Kentucky, Portsmouth, Ohio, and Oak Ridge, Tennessee, to minimum operating levels, thereby freeing approximately 3000 MW of coal-based electrical load in these States.
 - -- Temporarily suspended coal conversion orders issued under provisions of the Energy Supply and Environmental Coordination Act, thereby allowing return to oil or gas fuel during the emergency.
- o Monitor coal supplies and plan for possible movement of coal to critical areas:
 - -- Contacted industry, Federal agencies, and States to identify coal production and stockpiles by type.
 Initial data from major producers and distributors will be available by February 16.
 - -- Met with the National Railroad Association, Interstate Commerce Commission, and Department of Transportation to identify rolling stock availability and statutory authorities to direct movement of coal, if necessary.
 - -- Established a coal supply team to identify by specification and location major industry and utility shortages.

- o Form State/Federal task force to insure that human needs and employment consequences of power cutbacks are minimized and that power brought into the affected regions is equitably shared:
 - -- Announced a State/Federal workshop to be conducted in Cleveland, Ohio, on Wednesday, February 15. Representatives of Federal agencies, Governors', Public Utility Commissions, utilities will review State curtailment plans, study impacts on unemployment and set future agendas.
 - -- With Jack Watson, scheduled a meeting of involved Federal agencies to set agenda and assign responsibilities for the State/Federal workshop and followup.

PRELIMINARY ASSESSMENT OF

CURTAILMENT REQUIREMENTS IN ECAR

The purpose of this analysis is to demonstrate the level of curtailment required to extend coal supplies in ECAR to assure continued electrical service to essential users. (Defined here as residential, commercial & 10 percent industrial load assumed necessary for plant protection). This illustrative analysis shows the level of mandatory curtailment of non-essential customers needed now (effective February 15) to assure service to essential customers through three (3) target dates:

°April 1

°April 15

°May 1

The message of this simple analysis is very clear. Unless the indicated level of load curtailment is implemented immediately—reliability of service to essential customers can not be assured beyond the stated dates. Furthermore, the situation beyond that date will continue to deteriorate unless additional coal supplies above those assumed in each case are made available. (However, no responsible utility would select an operating strategy—such as those illustrated here—whose net effect would be to risk losing the entire system after a certain date).

Assumptions

*Analysis restricted to ECAR Area Only (see attachment 1)

-West Virginia

-Kentucky

-Ohio

-Michigan

-Indiana

-Western portions of Virginia, Maryland & Pennsylvania

Generating Capacity - 78,000 MW (85 percent coal-fired)

Peak (Winter) Load - 59,000 MW

-Industrial-55 percent

-Commercial/Institutional-20 percent

-Residential-25 percent

oActual Reserve Margin-ranges from 10-15 percent

As a function of units out of service due to planned maintenance, forced outages, frozen coalpiles, etc.

- Generation-approximately 90 percent of KWH generated are coal-fired. ECAR utilities are making maximum use of alternative fuel sources (including oil & nuclear).
- °Coal Burn 3.0 million tons/week (varies from 2.8 3.1
 million tons/week).
- <u>°Coal Stockpiles</u> 50 day supply as of 15 February (at average burn rate for past few weeks) uniformly distributed across ECAR--this assumption is the <u>major limiting factor</u> in this analysis and results in <u>understating needed curtailments</u> for selected utilities with average stockpiles well below 50 days.
- <u>**Note: Approximately 70-80 percent of inter-regional inter-regional power transfers (Electricity Interchange) Assumes maximum level of inter-regional transfer fixed by transmission and generation capability (6000 MW) is sustained effective February 15. Does not assume significant imports from MAIN or TVA. Assumes maximum intra-regional power transfers to balance coal stockpiles across systems & plants. (Note: Approximately 70-80 percent of inter-regional inter-change potential has already been achieved).</u>



Column 1
To assure service to customers not selectively curtailed through (as in column 2) (effectively)

April 1 April 15

May 1

Column 2
Level of mandatory
curtailment
agh required*
(effective Feb.15)

Total Load	Industrial Load Only
	•
none	none

17 percent 30 percent 35 percent 61 percent

Most >

Case II - 10 percent of	
weekly coal burn (300,000	
tons/week) is delivered**	

<u>Case 1</u> - No new coal supplies are delivered to ECAR utilities.

April 1	none	none
April 15 May l	9 percent 27 percent	

Case III - 20 percent of
weekly coal burn (600,000
tons/week) is delivered**

April 1 none none
April 15 none none
May 1 20 percent 30 percent

^{*}Total reduction in KWh consumption achieved either through selective targeting or uniform load reduction.

^{**}Assumes coal delivery of equivalent BTU content to current coal burn. If sub-bituminous western coal is substituted--a 25 percent minimum derating must be allowed for - The results above do not discount for the effects of Western coal.

Limiting Factors

- *Many utilities within ECAR are already well below the 50-day average stockpile assumed in this analysis. These results may seriously understate needed curtailment actions by these utilities unless they can balance stockpiles through new deliveries or intra-regional power transfers.
- •Even limited 20-30 percent curtailments for some process industries may require a complete shutdown to maintenance levels.
- *Load requirements begin to ease in late March-early April with the reduction in electric space heating requirements (highly weather dependent).
- •Total western coal protection is currently averaging 3.0 million tons/week.
- *Best current estimates indicate maximum of 300,000-500,000 tons/week of coal availability in Western spot market--most already committed to utilities in ECAR, MAIN & TVA. Additional production (surge capacity) of 20-30 percent might be achieved within 30 days if firm buyers and reliable transportation could be assured. Some western coal under firm long-term contract to western utilities could be briefly (e.g. 2 weeks) diverted to east without jeopardizing reliability of service to customers of those utilities.
- *Some new supplies are now being delivered from eastern sources (e.g. Western Kentucky) -- estimates range from 100,000 to 200,000 tons/week.
- •Major limiting factor in new coal supply to ECAR is transportation capacity (tail & barge).
- *Value of western coal becomes limited as time proceeds, since many plants cannot use it directly without blending with eastern coal stockpiles.
- •Major problems with western coal:
 - -low BTU-content (8,000-9,000 BTU/lb)
 - -high moisture content (20-30 percent)
 - -high abrasiveness (low Hardgrove grindability)
 - -high sodium content
- •Analysis assumes no capacity (MW) constraints arise due to fuel shortages at individual plants--analysis is restricted to energy (MWH) affects only.



THE FRESIDENT HAS SEEN. THE WHITE HOUSE

WASHINGTON

2

MEMORAN DUM TO THE PRESIDNET

FROM:

HAMILTON JORDAN AND JACK WATSON

DATE:

FEBRUARY 14, 1978

SUBJECT:

COAL STRIKE

I. Energy Situation

--A summary of the problems resulting from the coal strike and the steps we are taking is included in the attached Memorandum from Dr. Schlesinger.

II. Legal Issues

- --Procedure for Taft-Hartley. Before the President can obtain a Taft-Hartley injunction, he must make a finding that an actual or threatened strike will imperil the national health or national safety. This finding is typically included in an Executive Order which also announces the establishment of a Board of Inquiry which is required to investigate the issues involved in the labor dispute and report its findings to the President. The Board makes no findings regarding the existence of an emergency and its report does not contain recommendations of any kind. The time required by Boards to complete their investigations and submit their reports has varied, but during the last emergency dispute, the Board acted within 48 hours. The President could request that the Board act within an even shorter time period.
- --Upon receipt of the Board's report, the President can then direct the Attorney General to seek a Taft-Hartley injunction from the appropriate federal district court. The injunction would typically cover all employers, union officers and employees. It is probable that the court would be willing to grant a preliminary injunction immediately to establish that the national health and safety is imperiled. The government has traditionally required some affirmation from the agencies stating the impact of the strike in areas of their expertise or responsibility. The Labor Department and Justice are already collaborating on the compilation of data for these affidavits.

- --Ray Marshall believes that there is a high probability that the miners would refuse to obey the injunction, and that conceivably less than 15% of the strikers would return to work.
- --Law Enforcement. Primary responsibility for maintaining law and order rests with the state and local jurisdictions. Before federal law enforcement assistance can be justified in the enforcement of state laws, the full resources of the local police, state police and National Guard must be fully utilized by the Governor. If a state legislature or governor certifies that the situation is beyond state control, and that the Governor has used all law enforcement resources at his disposal, the President can then,
 - (1) order the use of U. S. Marshalls,
 - (2) federalize the National Guard; and/or
 - (3) call out federal troops.
- --The FBI can be used only in situations involving the violation of <u>federal</u> laws. U. S. Marshalls can be used to enforce federal court orders; to supplement security around federal installations; or to supplement state resources in a civil disorder, <u>after</u> the required certification by the Governor has been made to the President.
- --After our meeting last Friday, the Justice Department asked all FBI agents, U. S. Marshalls and U. S. Attorneys in the affected states to monitor the situation carefully for possible federal law violations. The U. S. attorney in the city closest to the state capitol was asked to establish and maintain law enforcement situation. Status reports from those U. S. attorneys are expected in today.

Negotiating Process

- --The UMW refuses to expand its negotiating committee, preferring instead to keep the bargaining council in town and in close communication with the negotiating committee.
- The employers strongly prefer to leave the entire situation alone for 3-10 days; they will negotiate only if the UMW's negotiating committee is empowered to make binding agreements.
- --The UMW is crippled by internal dissension, most of which is anti-Miller. A significant group of dissidents, however, are right-to-strike idealogues.
- --BCOA also has serious internal problems.

 Neither the captive mines owned by the steel companies nor the producers owned by the oil companies have any economic incentive to go back to work. Another more moderate group, led by Peabody Coal Company, may be on the verge of seeking independent contracts with local districts.
- --Wage levels are not likely to be a major factor. Instead, future bargaining is likely to revolve around the question of the future of the pension funds and the stability/productivity issues. The federal government, acting through the Pension Benefits Guarantee Fund, may be able to help resolve some of these issues.
- --Our best leverage on the negotiation process is to place the negotiators under pressure by focusing public opinion to focus on the failure of the negotiators to reach an agreement. Specifically, the negotiators will be placed under pressure by workers who want to go back to work, state and local public officials who refuse to be intimidated by lawlessness and the prospect of violence, and by adverse public opinion against the major corporations (U.S. Steel, Continental Oil, etc.) which own the coal companies.

--If the theme of media coverage becomes
Administration inaction in the face of crisis,
then the negotiators on both sides will have
little incentive to come to a speedy agreement.

Political and Media

Congressmen and Senators are in Frank's words, "in a panic-If they were in Washington, they would be beating down the
White House doors." The entire Ohio delegation has sent
a telegram requesting a meeting with the President.

Governors are coming up with their own plans for meeting their respective problems; they will be inclined to pass the responsibility for action and law enforcement on to the federal government.

Media coverage has begun to emphasize confusion and hardship. The attached cartoon from the ATLANTA CONSTITUTION summarizes the trends we can expect in the media. THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

February 13, 1978

MEETING WITH REP. JONATHAN B. BINGHAM (D-N.Y. 22)

Wednesday, February 15, 1978 9:00 a.m. (15 minutes) The Oval Office

Frank Moore 7m

I. **PURPOSE**

To discuss with Rep. Bingham the legislation with which he is assisting the Administration.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

Background: Rep. Bingham is Chairman of the Subcommittee on International Economic Policy and Trade (International Relations) and a senior member of the Interior and Insular Affairs Committee.

He is the manager or co-manager of three bills which are important to the Administration:

Nuclear Non-proliferation. This legislation passed the House last week after the House accepted the Senate amendments without going to conference committee.

Rep. Bingham is very close to the Administration's position on the development of nuclear technology and has been one of the Administration's supporters from the Clinch River breeder reactor to the nuclear non-proliferation bill.

Rep. Bingham will, also, want to discuss Dr. Schlesinger's rumored recommendation for the Nuclear Regulatory Commission vacancy, Ms. Goldie Watkins. Rep. Bingham is opposed to this recommendation becoming your nomination because he feels that Ms. Watkins is too technically narrow in outlook.

- 2. Overseas Private Investment Corporation (OPIC). This bill is scheduled to go to the House floor for final vote on February 22.
- 3. Deep Seabeds Mining.

Rep. Bingham has stated publicly that he is pleased with the South Bronx plan. He has been working closely with Jack Watson on this.

Rep. Bingham's wife's name is June.

- B. <u>Participants</u>: The President, Rep. Jonathan Bingham, Frank Moore, and Jim Free.
- C. Press Plan: White House photographer.

III. TALKING POINTS

- 1. Thank Rep. Bingham for his splendid handling of the nuclear non-proliferation bill in the House and his assistance with the OPIC bill and the deep seabed mining bill.
- 2. Rep. Bingham would like to talk about Middle East policy. He is well-known as an ardent supporter of Israel. He does not want to talk about arms sales, which he generally opposes, but the timing of this appointment may make some discussion of arms inevitable. Rep. Bingham understands the complexities of the Middle East problem and the difficulties of the peace process. He was with the International Relations Committee delegation which visited the Middle East in January and, therefore, has had recent exposure to both Arab and Israeli leaders.

Throughout most of 1977, Rep. Bingham maintained his support for the Administration's Middle East policy when others of Israel's friends were sharply critical. His concern is apparently the broad question of the U. S. role in the peace process. His continuing support for the U. S. Middle East policy could prove very important.

3. Assure Rep. Bingham that his concerns will be noted on the Goldie Watkins nomination to the Nuclear Regulatory Commission. (Article attached from The Washington Post.)

Electrostatic Copy Made for Preservation Purposes

WP 1/26/78

Nuclear Board Candidate Criticized as Pro-Industry

By J. P. Smith
Washington Post Staff Writer

Energy Secretary James R. Schlesinger has urged President Carter to give an important swing seat on the Nuclear Regulatory Commission to a black woman from New York whose critics call her pro-industry.

Knowledgeable sources say Goldie Watkins, a former Atomic Energy Commission official and now a nuclear safety specialist with the New York State Health Department is being recommended by Schlesinger.

Carter's nominee to the vacant seat on the five member NRC is crucial because the commission has been split 2 to 2 on several recent decisions pitting the nuclear industry against environmentalists and other critics.

Established by Congress in 1974, the NRC regulates the nuclear power industry, overseeing health and safety questions as diverse as waste disposal, plant licensing and exports. The NRC also regulates some federal nuclear facilities.

The NRC will also have a vital role in determining the outcome of Schlesinger's and Carter's avowed effort to increase nuclear power generation by streamlining the nuclear licensing process. Environmentalists and some anti-nuclear groups such as the Environmental Policy Center and the Natural Resources Defense Council have opposed this effort.

As word of Schlesinger's recommendation has circulated, some members of Congress have begun complaining not only about the nominee but about the selection process itself.

"I feel outraged—I understand Schlesinger has sent the recommendation to the President, but I hope that the President doesn't appoint her," said Rep. Jonathan B. Bingham (D-N.Y.

Bingham had a major role in enacting the legislaton creating the NRC, effectively segregating the old Atomic Energy Commission's regulatory and development activities.

"Schlesinger is trying to defeat

what we tried to do, he is trying to put in people who are the wrong kind of people—people who will be responsive to him," Bingham slad.

Last October the Senate Committee on Environment and Public Works voted 7 to 4 to kill the nomination of Kent F. Hansen, another former AEC official now at MIT, to the vacant NRC seat.

Hansen was Schlesinger's personal choice for the key NRC slot and, at one point when the nomination was in trouble, Committee members calling the White House were referred to Schlesinger's staff.

Sen. Gary Hart (D-Colo), circulated a letter to committee members last October that was critical of Hansen's sensitivity to nuclear safety questions before his nomination was voted down. Hart is chairman of the Subcommittee on Nuclear Regulation.

Yesterday Hart said, "I know nothing, about the individual [Watkins] involved, but with the Hansen matter there was a strong suggestion that the secretary was playing a very strong role, going with a pro-industry philosophy."

John Conway, an executive with Consolidated Edison in New York and former staff director of the Joint Atomic Committee on Energy, described Watkins as "a tough regulator."

Another industry executive gave Watkins high marks saying, "It would also bring state involvement into the licensing process—this would turn around the federal bent."

Contacted yesterday for comment yesterday, Watkins said "I just can't discuss it:" She declined to characterize herself as pro-nuclear or otherwise.

A senior Schlesinger aide said, "Whomever the President decides to nominate for the seat will reflect the recommendation of Joe Hendrie, the NRC chairman."

The commissioners are Victor Gilinsky and Peter Brauford who often oppose industry positions, and Richard Kennedy and Hendrie, who are thought to favor industry on some issues.

THE WHITE HOUSE

WASHINGTON

February 14, 1978

MEETING WITH CONGRESSMAN ROSTENKOWSKI

Wednesday, February 15, 1978 2:30 p.m. (20 minutes) The Oval Office

From: Stu Eizenstat

I. PURPOSE

You requested this meeting to discuss Hospital Cost Containment legislation.

II. BACKGROUND

As introduced, the Administration's cost containment bill required action by four committees: Senate Human Resources, Senate Finance, House Interstate Commerce, and House Ways and Means.

Senate Human Resources (Williams/Kennedy) last session completed work on a bill close to the Administration's. Senate Finance (Talmadge/Long) held hearings but took no other action. Senator Talmadge had previously proposed legislation which dealt only with Medicare/Medicaid expenditures and only with routine costs. Moreover, the Talmadge approach of grouping and comparing hospitals, while promising for the long-run, provided no short-term savings. In recent months, Talmadge has indicated some willingness to consider a broader bill with short-term revenue limits.

The health subcommittee of House Interstate Commerce (Rogers) reported a bill similar to the Administration's last session. Rogers had expected to be able to push this bill through the full committee (Staggers).

The health subcommittee of Ways and Means (Rostenkowski) began mark-up last summer. From the beginning it was slow going. On every key issue the vote in favor of the Administration position was only 7-6. Rostenkowski was fearful of losing some important votes in the subcommittee and even more fearful of losing in full committee. It is also possible that his strained relationship with HEW made him less enthusiastic about fighting for our legislation. Rostenkowski was angered when his candidate for Chicago Regional Director of HEW -- Deputy Mayor Ken Sain -- was rejected by Secretary

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Califano. But more generally, Rostenkowski does not believe that Secretary Califano and his top aides have demonstrated the requisite political sensitivity in dealing with the House.

On November 2, after it became clear that further significant action on cost containment would not take place that session, Rostenkowski challenged the hospital industry to use the time between the first and second sessions to take the initiative to restrain cost increases on its own.

In response the industry put together its "Voluntary Effort." The industry program calls for voluntary restraints on the national rate of increase in hospital costs, reducing the rise by 2% in 1978 and an additional 2% in 1979. On February 1 Rostenkowski announced in a speech before the American Hospital Association that he would modify the cost containment legislation in his subcommittee to provide that the mandatory federal cost containment program only go into effect if the goals of the "Voluntary Effort" are not met.

In his speech, Rostenkowski also announced his intention to delete Title II (Capital controls) from the cost containment legislation, urging that this issue be considered in the context of the national planning legislation currently up for review before the Rogers health subcommittee.

Rostenkowski's action makes it questionable whether Rogers can now get the full Interstate Commerce Committee to report out an Administration-type bill. That committee may also put federal controls on a stand-by basis, to be triggered by the failure of the hospital sector to reduce costs voluntarily. It is possible that Rogers could secure a tougher trigger than the Rostenkowski trigger of a 2% reduction in hospital expenditures in both 1978 and 1979. Rogers might be able to secure a 3% reduction in each year or further reductions after the first two years.

As they did with the Medicare/Medicaid Fraud and Abuse and Rural Clinics bills, Rogers and Rostenkowski will probably compromise out the differences between them in a miniconference and bring a single bill to the floor. Although we could try to strengthen the bill on the floor, it is highly likely that whatever Rogers and Rostenkowski report out will pass.

Because Senators Talmadge and Kennedy, unlike Rogers and Rostenkowski, have no tradition of working together, it is not clear that we can develop a compromise bill which incorporates both their approaches and bring it to the

floor. Another possibility would be to allow the Talmadge approach to come to the floor and to seek appropriate changes on the floor or in conference.

Under this scenario, title II of the Cost Containment bill, dealing with capital limitations, would be dealt with by Rogers and Kennedy in the Planning Act Extension. The prospects of securing passage of title II still appear to be good.

TALKING POINTS

- -- The Administration is committed to the strongest possible hospital cost containment bill.
- -- Rostenkowski is committed to pushing in the Ways and Means Committee for the voluntary approach and a trigger of a 2% reduction on hospital expenditures in both 1978 and 1979. However, you can ask him whether he would be willing to accept a tougher trigger if the House Interstate Commerce Committee proposed one. You should ask him whether he will work with the leadership and Rogers and Staggers to develop a scenario whereby the bill that goes to the floor has a tougher trigger than his own bill. You should ask him what the Administration can do to help bring about such a result.
- -- As noted above, there is a general strain between Rostenkowski and the Administration, particularly HEW. You might want to ask what we can do to help make relations smoother in the future. If Califano comes to the meeting (he is undecided at this point as to whether it would be better for him to come or stay away), you might simply allude to the fact that you know there have been some "differences" between Danny and Joe and that it is important for both of them to get together on the critical cost containment issue.
- -- You should indicate that we are now starting to work in earnest to develop the NHI proposal and would like to have his input at an early stage.



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE WASHINGTON, D. C. 20201

February 14, 1978

FOR THE PRESIDENT

FROM JOE CALIFANO

I understand you are meeting with Dan Rostenkowski at 2:30 p.m. on Wednesday, February 15. I urge that you refrain from embracing the Rostenkowski hospital cost containment proposal and instead reiterate your continued commitment to the Administration bill.

We know that for tactical reasons, Rostenkowski would prefer to have the Administration in a public posture of opposition to the voluntary approach of his bill. He believes that will increase his capacity to write the strongest possible version of his bill. But he would welcome a private signal of support which should not be given at this point in the discussion.

Administration Proposal

You will recall that the Administration proposal has two major components:

- It would limit increases in hospital inpatient revenues, slowing the current annual increase -- by about 4 percent -- from 15-16 percent to 11-12 percent -- well above the consumer price index -- and continuing to drive it down each year. The allowable rate of increase would take account of inflation, needed improvements in the quality of care and unusual increases in non-supervisory wage rates.
- It would slow new investment in hospital capital facilities and equipment to approximately 80 percent of the current trend and curb construction of new hospital facilities in over-bedded areas.

Rostenkowski Proposal

The hospital industry has pushed a voluntary program of cost containment. The industry claims it can voluntarily reduce the rate of increase in costs by two percentage points a year in 1978 and 1979.

The Rostenkowski bill would let the hospitals try to meet those objectives. But if the voluntary program were to fail, the mandatory controls of our bill would be triggered automatically.

His bill does not address the issue of limiting capital investment in the hospital industry. He believes he does not have the votes for this in his Subcommittee and that the issue should be handled in the Rogers Subcommittee.

The Rostenkowski proposal obviously is very attractive politically. He may claim, as he has on other occasions, that it is consistent with your State of the Union appeal for voluntary efforts to restrain inflation. Our assessment is that the Rostenkowski bill probably can pass the House. You should remember that you specifically endorsed hospital cost containment in your Economic Message to the Congress.

Reasons Not to Support Rostenkowski:

At this time, however, it would be a mistake to endorse it for the following reasons:

- If the Rostenkowski bill is reported from Ways and Means, we will attempt to strengthen it in several fundamental respects; to that end, we will confer with the House leadership to discuss procedures for accomplishing this. The parliamentary situation is complex and must be orchestrated carefully.
- Two critically important members, Paul Rogers and Ted Kennedy, have carried our bill through their Health Subcommittees (and Kennedy, through the full Human Resources Committee) and they must be consulted in depth about our intentions. We cannot abandon them.

Talking Points

It would be helpful if you would make the following points with Rostenkowski:

*We want to continue working with him to report the strongest possible bill from his Subcommittee and the full Ways and Means Committee.

*We fully understand the political problems he has in trying to put together a majority for a strong bill.

*Rostenkowski surely understands why we are skeptical about the effectiveness of any kind of voluntary program of cost containment and why we therefore will continue to press for our proposal.

*We need his counsel as well as his leadership to enact this high priority Administration measure, which is essential in any form of national health insurance.

*Rostenkowski may raise questions about the lack of movement in the Senate Finance Committee. We are about to begin negotiations designed to reconcile the Talmadge bill with the Administration proposal.

*Finally, it would be helpful for you to indicate that I am your spokesman on this bill so we can deal effectively with Rostenkowski and his staff.



THE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS WASHINGTON

EYES ONLY

February 14, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

Charlie Schultze

Subject: Industrial Production in January

The Federal Reserve Board will release tomorrow (Wednesday, February 15) at 4:00 p.m. its estimate of industrial production in January. They estimate that industrial production output declined 0.7 percent last month -- reflecting cutbacks of auto production to reduce inventories, the coal strike, and adverse weather conditions.

The cutback in auto production was large -- nearly 10 percent -- and it alone would have accounted for a one-half percentage point decline in total industrial output. Production schedules were adjusted downward to match current sales rates, which are lower than the major auto manufacturers had anticipated. Apart from auto production and mining -- where the effects of the coal strike reduced output somewhat further -- declines in production were small but widespread.

The declines outside of autos and coal are of dubious significance for assessing ongoing developments in the The weather was probably a big factor. hours worked in manufacturing are estimated to have dropped almost 1-1/2 percent in January, even though employment in manufacturing increased strongly.

If weather was a large factor in holding down production in January, industrial output should snap back in February. The coal strike is not likely to have a sizable adverse effect on industrial output this month.

THE WHITE HOUSE

WASHINGTON

February 13, 1978

MEETING WITH BOY SCOUTS OF AMERICA

Wednesday, February 15, 1978 10:00 a.m. (10 minutes) Oyal Office

From: MARGARET COSTANZA MC

I. PURPOSE

To receive the Boy Scouts' 1977 Report to the Nation and be awarded the Silver Buffalo Award.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: The President of the United States traditionally serves as Honorary President of the Boy Scouts of America. The Boy Scouts' Report to the Nation has been an annual event since 1911. The Report contains information on the Scouting program's commitment to reach and serve young people for the purpose of character building, citizenship development and personal fitness.
- B. Participants: The President of the Boy Scouts of America,
 Mr. Downing Jenks; Chairman, National Court of Honor, Mr.
 John Starr; Cub Scout National Youth Representative,
 Manford Carter Blacksher; Scout National Youth Representative,
 Alan C. Carroll; Explorer National Youth Representative,
 Robert McMillen; and 15 youth and adult members of the
 Boy Scouts of America
- C. Press Plan: White House Photo

III. TALKING POINTS

- A. Commend Scouting for the active role it is taking in conserving energy through national program emphasis on Energy Education and Conservation.
- B. As a past cubmaster, scoutmaster, and explorer adviser, commend the Scouts on its multi-faceted program for the youth of

America and challenge them to continue to develop this great potential for the future.

C. Make remarks appropriate to receiving the Silver Buffalo award.

It is being presented for the President's stand on human rights.

IV. CEREMONY OUTLINE

- A. President Carter enters and welcomes group to the White House.
- B. President of the BSA, Mr. Downing Jenks will make opening comments and introduce each of the presentors.
- C. Cub Scout (Manford Carter Blacksher) will present President Carter's membership card.
- D. Boy Scout (Alan C. Carroll) will make a statement on the report and then present President Carter with the Presidential copy and with a copy of the Norman Rockwell book of Scouting Art for the White House library.
- E. The Explorer (Robert McMillen) presents the Rockwell china plate for this year, titled the "Scoutmaster" to the President for the china collection.
- F. Mr. John Starr, Chairman of the National Court of Honor presents the President with the Silver Buffalo award (to be worn around the neck).
- G. The President makes appropriate remarks, and the ceremony is concluded.

THE WHITE HOUSE WASHINGTON

February 15, 1978

Stu Eizenstat

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

RE: DOMESTIC POLICY STAFF WEEKLY STATUS REPORT

THE WHITE HOUSE WASHINGTON

FOR STAFFING

		FOR INFORMATION				
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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

February 14, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

SUBJECT:

Domestic Policy Staff Weekly Status Report

HOUSING AND URBAN DEVELOPMENT

Urban Policy: I have been meeting intensively with agencies over the past week to establish the work agenda for the next month. First drafts of agency review of base programs and recommendations for new initiatives due February 15.

New York City Financial Plan: We are working with Treasury in formulating an appropriate federal approach in the post-June 30, 1978 period. Treasury's negotiations in the City are proceeding well, although a difficult period lies ahead. Hamilton, Jack and I will work closely with Secretary Blumenthal.

FNMA: We are working with Hamilton, Lipshutz, HUD, and Treasury to devise an approach in accordance with your instructions. I am keeping Senator Cranston closely informed.

ECONOMICS AND BUSINESS

Economic Program: We will be working with Treasury, CEA, OMB, Labor, and Frank Moore's shop to expedite. Ham will coordinate.

HEALTH

NHI: DPS met with leading labor NHI experts as part of a continuing effort to develop a common position. We had our first interagency meeting yesterday as part of the PRM process. All agencies have been given specific assignments and timetables.

Cost Containment: A meeting is being set up for you and Congressman Rostenkowski as per your comments on last week's status report. A briefing memorandum will be to you shortly. I have talked to Califano about a reevaluation of our strategy following this meeting.

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EDUCATION

President's Commission on Foreign Language and Area Studies: We have received the draft Executive Order for the six month commission. We are working with OMB and NSC to finalize the order and complete the nominees.

LABOR

National Center for Productivity and Quality of Working Life:
An interagency decision memo on the National Center for
Productivity and Quality of Working Life will be forwarded
to you by March 7.

NATURAL RESOURCES

Copper Stockpile Issue: Working with Vice President's staff, NSC, CEA, OMB, and agencies.

Water Policy Study: Working with Interior, OMB and CEQ to complete decision memo and consulting with governors on options. Working to set up Presidential briefing session and your consultation with governors.

Reclamation Acreage Limitation: Working with Interior, Agriculture and Vice President's staff on Administration proposal.

Pont be

Endangered American Wilderness Bill: Has been reported out of conference committee for final floor action.

Redwoods: Passed House this week and will now go to conference.

Deep Sea Mining: Administration amendments sent to Congress this week.

Outer Continental Shelf: Passed House last week. Working with Interior and OMB to prepare for conference.

CIVIL SERVICE MATTERS

Civil Service Reform Initiative: Per your recent decision, the Civil Service reform legislation is now being circulated to agencies, key Hill staff, and key interest groups for comment, and a message to Congress is being drafted. The federal pay comparability and labor-management relations proposals are not being circulated at this time. The White House Task Force continues to work on overall legislative and public relations strategy. Key Senators and House members are being visited.

HATCH ACT REFORM

Hatch Act Reform: The Interagency Task Force has completed its policy work and discussions with Senate staff. hearings are complete, and we are working with Frank on the increasingly difficult task of finding a floor manager.

COMMUNICATIONS

Public Broadcasting: The House hearings on the public broadcasting bill will be March 9-14.

AGRICULTURE AND RURAL DEVELOPMENT

Farm Policy Statement: We have asked the USDA to prepare an overall statement of Administration farm policy, including prospective actions, that can be used in responding to pressures now developing on the Hill for changes in the 1977

Meeting with Farm Community Representatives: We are preparing briefing materials for your meeting Tuesday, February 14 with representatives of the farm organizations.

Commission on World Hunger: We are working with Peter Bourne, Zbigniew Brzezinski, and Secretary Bergland in the preparation of a decision memorandum to you on this topic. We will have one.

Expedite memo

HUMAN RESOURCES

Welfare Reform: The Corman subcommittee has finished its work. Our next task is to get the Speaker to set a specific time for the Ways and Means, Agriculture, and Education and Labor Committees to report legislation to the floor. We are preparing a memorandum for you comparing the Administration bill, the subcommittee bill and the Ullman proposal. Corman's bill will need to be substantially less expensive to have any chance of passing the House. A serious scheduling problem is occurring, with HEW and Treasury vying for priority through House Ways and Means of their proposals (welfare versus tax reform). We are working with Frank Moore to resolve.

an Concern is whether welfare reform will move - Will terans Pensiones We have welfare reform will move - will Veterans Pensions: We have reached an agreement between OMB and VA to support veterans pension reform. This should resolve the question raised by Chairman Roberts. Frank Moore's staff has assisted in expediting this matter as you requested in

your note.

Pension Reform: We are trying to sort through the array of commissions, advisory bodies and task forces being created to look at social security and pension policy. We hope to limit the number of these bodies and coordinate their work. We are beginning to work with DOD to insure that the work of the Blue Ribbon Commission on military pay is consistent with our other pension policy matters. We are convening a meeting this coming Thursday of experts to assist in defining the agenda for your pension commission.

Vietnam Veterans: We have circulated a draft Issue Definition Memorandum to initiate the government-wide review of programs affecting Vietnam veterans. So far the response has been very favorable. We will have a memorandum to you early next week with a revised draft.

REGULATORY REFORM

Regulatory Reform Executive Order: A final draft of the Executive Order mandating reformed agency regulatory procedures will be sent to Justice for technical refinement next week. It will be to you within two weeks.

Banking Regulatory Reform: Treasury will have their recommendations to us by Tuesday. We will have memo to you on February 16.

OPENNESS AND INTEGRITY IN GOVERNMENT

Revision of Security Classification System: The second draft of the Executive Order -- incorporating many of the comments that were received from the Hill and the public -- has been circulated to the agencies for further reactions. Their responses have just been received, and we are working with the NSC to review them.

REORGANIZATION MATTERS

EEO: Joint memo from Vice President and me to you now as follow-up to my discussions with you.

MISCELLANEOUS

<u>Congressional Veto Message</u>: DOJ is revising a proposed message.

New England Trip: We continue to work on policy briefings for your trip.

Western Issues: We continue to work with Vice President, Jack Watson, and Secretaries Andrus and Bergland on an analysis of policy issues important to the West.



Office of the Attorney General Washington, A. C. 20530

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FEB | 4 | 1978

MEMORANDUM FOR THE PRESIDENT

Re: Powers available to deal with the coal strike emergency

The powers available to the President to deal with emergency power shortages caused by the coal strike consist of the reallocation of emergency fuel and power supplies and the relaxation of federal restrictions on power plant emissions. There is also power to enjoin the strike and, if circumstances warrant, to use federal personnel to keep order and enforce the law.

1. Energy reallocation. Acting through the Department of Energy, coal supplies can be reallocated to provide a more equitable distribution of available coal to areas most in need. This involves use of an as yet untested provision of the Energy Supply and Coordination Act of 1974. The primary limitation on this power is a practical one -- not all of the utilities in need of additional coal supplies are equipped to burn the type of coal available.

Under the Federal Power Act the Department of Energy also has the authority to switch available power from one interconnecting utility to another during times of emergency. The legal power is broad but calculating a fair distribution system presents obvious practical problems to insure that the area from which power is diverted is not harmed substantially.

2. Relaxation of Air Emission Standards. Due to the presidential declaration of a regional energy emergency of February 11, State governors in the emergency area are authorized to suspend air emission standards for a period of thirty days. In coal burning facilities this produces a slight increase in the amount of energy which can be derived from a given amount of coal since precipitators and scrubbers which

reduce efficiency can be turned off. The suspension is limited to thirty days, however; it must be preceded by a public hearing; and it can be disapproved with respect to any given facility if the Administrator of the Environmental Protection Agency determines that air emissions pose a health or safety hazard to the area.

Taft-Hartley Act. Whenever the President determines that a strike affecting a substantial part of an industry will, if it continues, imperil the national health or safety he may, by Executive Order, create a Board of Inquiry to report to him on the strike within a fixed period of time. On receipt of that report he may direct the Attorney General to seek an injunction calling the strikers back to work until the Board of Inquiry makes a further report. Negotiations with federal assistance are to continue and the Board is to report in sixty days. Thereafter the National Labor Relations Board conducts a secret ballot of the union membership to determine if they will accept the settlement.

If the union ignores the injunction, as has occurred, the court may fine the union for contempt or the federal government can seek to enforce the injunction by the use of force. course has been noticeably successful in the past.

Law enforcement. While law enforcement to deal with violence occurring during strikes is primarily a State and local responsibility, federal authorities may arrest and prosecute for such federal violations as destruction of federal property, wrecking of trains, assault on federal officers. extreme violence occurs and the State authorities are unable to control it, the President, at the request of the State, may use federal force, including troops, to restore order. may also use troops on his own initiative to enforce federal Calling out the troops requires an Executive Order and Proclamation to comply with the statute.

Michael J. Egan

Acting Attorney General



THE PRESIDENT HAS SEEN. THE WHITE HOUSE

WASHINGTON

February 13, 1978

Q.

MEETING WITH REP. DANTE B. FASCELL (D-FLA. 15)

Wednesday, February 15, 1978

9:30 a.m. (15 minutes)

The Oval Office

From: Frank Moore

I. PURPOSE

To discuss with Rep. Fascell the Administration's general foreign policy goals and your plan for government reorganization.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background:

Foreign Affairs: As a ranking member (#3) of the House International Relations Committee, Rep. Fascell maintains a lively interest in all foreign policy issues. One special concern is the Middle East. He traveled to the area with the Committee over the Christmas holidays and, thus, will be interested in learning as much as possible about our February 14 announcement on aircraft sales to Israel, Egypt, and Saudi Arabia. Rep. Fascell's view on Congressional reaction to our announcement would be well worth seeking.

Rep. Fascell is, also, vitally interested in the Conference on Security and Cooperation in Europe (CSCE). He is Vice Chairman of the U. S. Delegation and Chairman of the CSCE Commission.

Rep. Fascell's other major foreign policy interest is Latin America, with special reference in recent weeks to human rights, Nicaragua, Cuba, and the Caribbean.

Government Reorganization: Rep. Fascell is, also, a ranking member of the Government Operations Committee (#4). He has been a consistent, active, and visible

supporter of our reorganization proposals, as well as a broad range of issues, including the B-1 bomber.

Rep. Fascell was elected to the House of Representatives in 1954, and his wife's name is Jeanne-Marie.

- B. <u>Participants</u>: The President, Rep. Dante Fascell, Frank Moore, and Jim Free.
- C. Press Plan: White House photographer.

III. TALKING POINTS

 The Middle East aircraft package we are proposing is balanced and should enhance the recipients confidence in approaching the negotiating process as well as their individual confidence in the United States.

None of these sales will introduce new weapons technology to the area.

- 2. Conference on Security and Cooperation in Europe (CSCE):
 - -- Explain that the 35-nation review of the implementation of the Helsinki Final Act is entering its final weeks.
 - -- Express admiration for the role of the CSCE Commission in the CSCE process; especially the excellent performance of Commission staffers as members of the U.S. delegation in Belgrade.
 - -- Note that if the Soviets continue to resist inclusion of the language we want concerning discussions on human rights in the CSCE review, it will probably be preferable to seek a short, factual document rather than accept a longer text which masks its lack of substance through eloquent language.

3. Cuba:

-- Some progress has been made, but the basic differences and conflicts of opinion remain largely untreated. We are a long way from having normal relations with Havana, and its recently increased military activities in Africa move such relations even further into the distance. However, some American citizens have been repatriated, some American prisoners released, and we have reports of improved conditions under which other prisoners are held.

4. Caribbean Development Initiative:

-- Our Caribbean initiative had a good start at the World Bank meeting in December. An agreement was reached to establish the Caribbean Group for Cooperation in Economic Development, which will provide the comprehensive multilateral framework needed to deal more effectively with Caribbean economic and social problems. The first plenary session is set for May.

5. Civil Service Reform:

- -- Ask for Rep. Fascell's assistance on this important reorganization proposal. It is a controversial issue, and we need his help.
- 6. Rep. Fascell may mention two issues in which he is interested:
 - -- He has requested that certain Federal acreage be declared "excess". OMB has been dealing with this question. Let Rep. Fascell know that you will try to expedite the decision. (OMB expects to have a decision in the near future which would declare the land surplus.)
 - -- Rep. Fascell is, also, very interested in the bridges which connect Key West to the mainland. He feels that they are in need of repair. OMB and the Department of Transportation have been cooperating fully with Rep. Fascell on this issue.

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THE WHITE HOUSE WASHINGTON

February 15, 1978

Peter Bourne

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson NATIONAL KILLERS AND CRIPPLERS PROGRAM - High Blood Pressure

cc: Stu Eizenstat

П	FOR STAFFING
П	FOR INFORMATION
V	FROM PRESIDENT'S OUTBOX
П	LOG IN/TO PRESIDENT TODAY
П	IMMEDIATE TURNAROUND
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AGENCY REPORT
CAB DECISION
EXECUTIVE ORDER
Comments due to
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Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

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Health mis Pres committee

To Peter -MRS. ALBERT D. LASKER What Can/should
B70 UNITED NATIONS PLAZA
NEW YORK, NEW YORK 10017
TELEPHONE 758-1242

Copplere program?

February 14th, 1978

TC

Dear President Carter,

Here is a suggestion on what you could do to help prevent additional deaths from high blood pressure, a major cause of heart attacks, strokes and kidney disease, through a Health Message to the Congress, TV and radio talks and discussions in your press conferences.

I congratulate you on what you have already started in Georgia and hope you will be interested in making this additional contribution to the health of Americans throughout the country.

With all warmest wishes,

Yours,

Mary has ker

1.S. A Prendento The President
The White House Panel is meeded

Washington, D.C. to seeney the need for expanded financing of the Migh Blood Pressure Program.

Wort you appoint one?

HOW TO PREVENT THE MAXIMUM NUMBER OF DEATHS IN THE POPULATION IN THE IMMEDIATE FUTURE

The Number One and Number Three causes of death are heart disease and strokes. The National Heart, Lung and Blood Institute has shown through its High Blood Pressure Education Program that deaths from these two causes can be markedly prevented through an education campaign on TV, radio and other media (free time provided through the Advertising Council).

The death rate from diseases of the heart has declined 8% between 1973 and the first 9 months of 1977.

The stroke death rate has declined 16.6% during the same period.

The decline in the number of deaths since 1973
from heart diseases and stroke has meant the saving of
289,317 lives. The saving of almost 109,000 lives in 1975
alone can be translated into an economic saving of almost
\$3 billion in prevented mortality costs (loss of earnings due to premature death).

However, there are still 726,700 deaths from heart diseases in 1976 and 189,100 deaths from strokes. A continued, expanded campaign with the help of the President could make possible a marked additional saving in lives and dollars.

I urge that President Carter send an over-all

Health Message to the Congress, and urge the prevention of

deaths from heart disease and strokes through the widespread

screening and treatment of high blood pressure in the

population, in TV talks and press conferences.

An estimated 35 million people are estimated to have definite high blood pressure and face significant risks of heart, attack, stroke, and kidney failure. Twenty-five million persons are estimated to have borderline high blood pressure and should be monitored regularly.

This is a major preventable threat to the lives of our people which can be diminished by action of our Government and President.

A President's Panel is needed to mercy the need for expanded financing of this High Blood Pressure Program.

ly & Shis lan we expand Visit to Migeria by getting Obasanjo to me, te m other African Feaders? (ploting of additional Stops is doubtful)

February 15, 1978

Hamilton Jordan

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Bob Lipshutz

RE: LETTER FROM EDWARD SANDERS
RE MIDDLE EAST

-	FOR STAFFING
-+	FOR INFORMATION
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4	FROM PRESIDENT'S OUTBOX
1	LOG IN/TO PRESIDENT TODAY
- 1	IMMEDIATE TURNAROUND

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	STRAUSS
	VOORDE
	WARREN



THE PRESIDENT HAS SEEN.

EDWARD SANDERS

IBOO AVENUE OF THE STARS, SUITE 900 LOS ANGELES, CALIFORNIA 90067

February 14, 1978

you to Bob to Joseph to Sold refly

VIA BOR-AIR FREIGHT

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

I want you to know how privileged I feel to have been a participant in the dinner at the White House last Wednesday evening. It was a unique opportunity to spend so much time with you and the Vice President and especially to hear first hand your analysis of the situation in the Middle East. I know that the meeting was constructive and informative, and I trust helpful to you and the Administration in the quest for peace.

Your personal dedication to peace in the Middle East is a source of inspiration to me, and I share the sense of urgency that you described. I agree that time is of the essence. Since Wednesday evening, I have been pondering the additional ways that I might help you during the next few months.

It has occurred to me that perhaps it would be constructive if during this period I did something similar to what I did during September and October, 1976, which was communicating on a full-time basis your views on the Middle East to the American Jewish community. At this time, I could help transmit your deep feelings that there is only a limited amount of time left before this historic opportunity for peace may be lost, perhaps forever.

The President February 14, 1978 Page two

If you believe that I could be of help in this way, or in any other way during the next few months, I am prepared to take a leave of absence from my law firm. I am certain that during my lifetime I could not participate in a more important endeavor.

In any event, I will continue doing all I can on a part-time basis. Mr. President, you have my deep respect and appreciation for your dedication to all the things which are important to me as an American and as a Jew.

Sincerely,

Moderal Sandles

ES:rls

EDWARD SANDERS

1800 AVENUE OF THE STARS, SUITE 900 LOS ANGELES, CALIFORNIA 90067

February 14, 1978

VIA BOR-AIR FREIGHT

Mr. Timothy E. Kraft
Special Assistant to the President
for Appointments
The White House
Washington, D.C. 20500

Dear Tim:

I would appreciate it if you could see that the President receives my enclosed note relating to the dinner last Wednesday night.

Thank you.

Best personal regards.

Edward Sanders

ES:rls

Enclosure



February 15, 1978

Frank Moore

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

TELEPHONE CALL TO SEN. HODGES RE PANAMA TREATIES (SUPPORT)

ADMINISTRATIVELY CONFIDENTIAL





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П	FOR INFORMATION
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	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

February 15, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE -

SUBJECT:

TELEPHONE CALL TO SEN. KANEASTER HODGES

Senator Hodges has called to say that he will vote for the Panama Canal treaties. He is in the process of writing a statement of support.

At the present time, Senator Hodges does not want anyone to know of his recent decision except Senator Byrd, you and me.

I recommend that you call Senator Hodges to thank him for this courageous act.

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diplomatic credentials presentation ceremonies 2/15/78
THE WHITE HOUSE

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7-5%

Bulgaria - Grigorov

Chom PRC > US

While kor

Divided families +

Marcotics +

Custome & Evence +

Detente CSCE Gifted Children

February 15, 1978

Frank Moore Stu Eizenstat

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

RE: SUWANNEE RIVER

RIVER -- In an open letter to the President, the <u>Gainesville Sun</u> commented on the fact that the Suwannee River is not included in the National Wild and Scenic Rivers System. "You must understand how the Suwannee has been victimized by political misadventure. It was in the original drafts of this legislation in the 1960s. It was removed by plea and disinterest of Rep. Don Fugua, whose Second District embraces the Suwannee. He was piqued at not being consulted, showed inordinate interest in the bill's effect on corporate holdings, and has remained publicly ambivalent and officially apathetic...What irony if the Suwannee is wiped from the national heritage by a disinterested congressman, a troubled and now dethroned president (Nixon), an unswerving bureaucracy and the mis-routing of the White House mail. Surely there must be some way to cure the historical defect and you, Mr. President, appear to be the Itu franké What our we

only one able to do it." (Gainesville Sun)